



May 30, 2006



President

Lisa Schicker

Vice-President

John Fouche

Director

Chuck Cesena
Steve Senet
Julie Tacker

Interim General Manager

Daniel M. Bleskey

Utilities Manager

George J. Milanés

Fire Chief

Matt Jenkins

Mr. Christopher Stevens, Supervisor
State Water Resources Control Board
Division of Financial Assistance
1001 I Street - 16th Floor
Sacramento, CA 95814

**RE: Priority List - State Revolving Fund Loan - RWQCB Request
for Consideration for Listing for the SRF Loan for the Los Osos
Wastewater Program**

Dear Mr. Stevens,

As contained in your public notices, the Federal Water Pollution Control Act (CWA), as amended in 1987, provides for the establishment of a State Revolving Fund Loan Program. Funding by federal grants and state bond funds implement CWA and various state laws by providing financial assistance for the construction of facilities. As required in your public notices, the purpose of this letter is the Los Osos Community Services District's (LOCSD) request for listing and eligibility for State Revolving Loan funding beginning in 2007.

LOCSD provided direction to staff in January 2006 to file the application for funding a new/revised project. Staff submitted the electronic application for project listing via email on May 23, 2006 to Kyle Wooldridge. The project is in the preliminary planning phase, and the LOCSD update of the 2001 project facilities plan, with revisions to the alternative study, is expected to be completed in August. The design of the revised project would commence immediately.

The community appreciates your sincere consideration and patience in this important project and the critical decision for establishment of the new SRF loan application for the Los Osos community.

Offices At:

2122 9th Street
Los Osos, California 93402

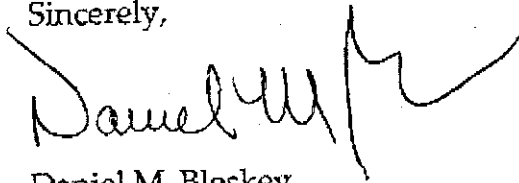
Mailing Address:

P.O. Box 6064
Los Osos, California 93412
Phone 805/528-9370
Fax 805/528-9377
www.lososcsd.org

As noted in emails and telephonic communications, due to timing issues, I have copied the application to Kyle Wooldridge.

If you have any questions, please feel free to contact me at 805-528-9370.

Sincerely,

A handwritten signature in dark ink, appearing to read "Daniel M. Bleskey", with a stylized flourish at the end.

Daniel M. Bleskey
Interim General Manager

Copy: LOCSD Board of Directors

Stephen Onstot, Special Counsel

Julie Hayward Biggs, Special Counsel

Kyle Wooldridge, SWRCB, Water Resource Control Engineer

George Milanés, LOCSD Utilities Manager

John Stephens, Chairperson, Emergency Services Advisory Committee

Leon Goldin, Chairperson, Finance Advisory Committee

Gail McPherson, Chairperson, Wastewater Advisory Committee

Chuck Snead, Chairperson, Water Ops/Drainage Advisory Committee

Chairperson, Environmental Review/Parks Advisory Committee

DRAFT

RESOLUTION NO. 2006000001

A RESOLUTION OF THE LOS OSOS COMMUNITY SERVICES DISTRICT, SAN LUIS OBISPO COUNTY, CALIFORNIA REQUESTS STATEWAIDE LISTING FOR CONSIDERATION OF PARTICIPATION IN THE STATE REVOLVING FUND (SRF) LOAN PROGRAM FOR 2007.

WHEREAS, Funding by federal grants and state bond funds implement CWA and various state laws by providing financial assistance for the construction of facilities.

WHEREAS, The State Water Resources Control Board ("SWRCB") has issued public notices, the Federal Water Pollution Control Act (CWA), as amended in 1987, provides for the establishment of a State Revolving Fund Loan Program ("SRF").

WHEREAS, the District has committed to construction of a wastewater treatment facility to serve the residents of the District and

WHEREAS, the new project is in the preliminary planning phase, and the LOCSD update of the 2001 project facilities plan, with revisions to the alternative study, is expected to be completed in August.

WHEREAS, the design and construction of the revised project would commence immediately. The District provided direction to staff in January 2006 to file the application for SRF funding for the Los Osos Community Services District's (LOCSD) Wastewater Project and requests listing and eligibility for State Revolving Loan funding beginning in 2007.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT, SAN LUIS OBISPO COUNTY, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

A Financial Assistance Application for a loan/grant from the State Water Resources Control Board in the amount not to exceed \$93,500,000, for the design and construction of Los Osos Community Services District Wastewater Collection, Treatment and Disposal Project.

BE IT RESOLVED, that the Los Osos Community Services District hereby agrees and further does authorize the aforementioned representative or his/her designee to certify that the Agency has and will comply with all applicable state and federal statutory and regulatory requirements related to any federal and state loan/grants received, and

BE IT FURTHER RESOLVED, that the Board President or his/her designee of the Los Osos Community Services District is hereby authorized to negotiate and execute a loan/grant contract and any amendments or change orders thereto, and to certify loan/grant disbursement on behalf of the Los Osos Community Services District.

The District Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

DRAFT

DRAFT

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES: Directors _____

NOES: _____

ABSENT: _____

CONFLICTS: _____

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Los Osos Community Services District this 2nd day of March 2006.

Lisa Schicker
President, Board of Directors
Los Osos Community Services District

ATTEST:

Daniel M. Bleskey
Interim General Manager and
Secretary to the Board

DRAFT

SRF PROJECT INFORMATION SHEET

GENERAL INFORMATION:			
Applicant: Los Osos Community Services District		City: Los Osos County: San Luis Obispo	New Project Yes
Address: 2122 9th St		Scheduled construction start date: 2007	
Region: 3 Population: 15,000		Schedule 2012 (TBD)	Project Cost: 93.5 Mil
Project No. 1			
Wastewater Collection, Treatment System, Disposal			
Project Description: Project will collect treat and dispose of domestic wastewater in compliance RWQCB 1983 mandat			
PROJECT PRIORITY LIST CHANGES (select all that apply)			
1. Type of change:		Project Number _____	Priority Class A
Class Change _____		Segment _____	Description _a)-1,2,3
Schedule Change _____		Subsequent Loan _____	Const. Start Date _____
Clerical Change _____		Project Deletion _____	
Combination _____		Project Cost _____	
2. Brief Justification of Change:			
Priority Classes (select one)			Select
Class A - Public Health Problem			A
Class B - Pollution of Impaired Water Body			
Class C - Compliance with Requirements & Water Recycling			
Class D - Preventive Measures			
Class E - Other			
Needs Categories (select all that apply)			
Wastewater Treatment:	Select	Septic Systems:	Select
I. Secondary Treatment	Yes	VII L. Septic System	Yes
II. Advanced Treatment	Yes	Point Source Pollution Control:	
III A. Infiltration/Inflow		VIII. Confined Animals - Point Source	
III B. Sewer System Rehabilitation		IX. Mining -Point Source	
IV A. New Collector Sewers	Yes	Recycled Water:	
IV B. New Interceptors	Yes	X. Recycled Water Distribution	Yes
V. CSO Correction		Estuaries:	
Storm Sewer:		% Estuary Benefit: _____	
VI Storm Sewers		Benefits:	% Benefit: Select
Non-Point Source Pollution Control:		Surface Water	Yes
VII A. NPS Agricultural - Cropland		Wetlands	Yes
VII B. NPS Agricultural - Animals		Source Water Protection	Yes
VII C. NPS Silviculture		Riparian Zone Protection	Yes
VII D. NPS Urban - except septic systems		Ground Water	Yes
VII E. NPS Ground Water - Unknown Source		Habitat Protection	Yes
VII F. NPS Marinas		Other	
VII G. NPS Resource Extraction		Enforcement Action:	Yes No
VII H. NPS Brownfields		Prohibition	Yes
VII I. NPS Storage Tanks		Local Moratorium	Yes
VII J. NPS Sanitary Landfills		Cease & Desist Order: No.R-3 83-13	Yes
VII K. NPS Hydromodification		Compliance Time Schedule: R-3 0013	Yes
Comments:			
Regional Board Approval:		Division of Financial Assistance Approval:	Yes No
Coordinator: _____		Approved	
Section Chief: _____		Disapproved	
		Division Staff: _____	
1 New project numbers will be assigned by the Division of Financial Assistance.			